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Community hubs for housing the community

Untapped surplus club land in NSW could generate tens of thousands of dwellings, given the right support

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Acknowledgement of country

This report was written on the lands of the Darug and the Eora Nations.
The McKell Institute acknowledges Aboriginal and Torres Strait Islander peoples as the Traditional Owners of Country throughout Australia and their continuing connection to both their land and seas.

The opinions in this paper are those of the authors and do not necessarily represent the views of the Expert Advisory Group that informed this research. Any remaining errors are the sole responsibility of the authors and the McKell Institute.

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Contents

Introduction

New South Wales has a housing problem.

There is broad consensus that the state is not building enough homes to keep pace with a growing population, and that without a significant uplift in supply, housing affordability will continue to worsen for working families across the state.

McKell Institute analysis of ABS Building Activity data shows that NSW completed just **44,000 homes** in the first full year of the National Housing Accord (the Accord). This is **58 per cent** of the required annual pace of 75,400 homes. It is also below the five-year pre-Accord average of approximately 50,400 completions per year, meaning that in the first year of a program requiring a 50 per cent uplift in housing delivery, the state went backwards.

Every level of government is searching for new sources of housing supply. The NSW Government has established a Housing Delivery Authority (HDA), reformed planning controls for transport-oriented development, and launched a property audit of surplus government land. The Federal Government has committed billions in housing investment. Councils are being asked to accelerate approvals. All of this is necessary, but so far insufficient.

This report identifies a significant and overlooked source of potential housing supply: the land held by NSW's approximately 1,070 registered clubs.

Registered clubs are among the largest private institutional landowners in the state. This includes golf courses, sometimes stretching across 50 hectares of suburban land, bowling clubs with surplus land in town centres, and leagues clubs occupying prime sites within walking distance of train stations. The club sector's land footprint is substantial and almost entirely unaccounted for in government housing supply assessments.

Using spatial data, planning controls and ClubsNSW membership data, this report presents a land capacity model covering all 1,070 clubs in the ClubsNSW dataset. The model estimates that **approximately 14,000 new homes** could be expected from club land under current policy settings, rising to **approximately 38,000 homes** under the reforms proposed in this report. This is a larger housing contribution than the NSW Government's own surplus land audit has identified to date.

Importantly, this housing can be delivered without closing a single club. The model assumes clubs retain their core operations, developing only the surplus portions of their sites: overflow car parks, underused function spaces, driving ranges, or greens that can be consolidated.

This report also identifies a significant planning barrier. A large share of NSW's registered clubs sit on RE2 (Private Recreation) zoned land. The *State Environmental Planning Policy (Housing) 2021* permits seniors housing on club RE2 zoned land, but not other residential housing developments. Also, neither of the state's two fast-track housing pathways, the Infill Affordable Housing provisions and the Housing Delivery Authority, currently serves RE2 land. This means the clubs with the most to offer the housing supply challenge are locked out of the mechanisms designed to accelerate delivery.

Other states have already moved to address this. Victoria's Development Facilitation Program explicitly names golf courses and racing tracks as candidates for fast-tracked rezoning. Queensland has created a pathway for community housing on faith and charity-owned land. NSW has no equivalent mechanism for clubs.

This report concludes with three targeted policy recommendations, informed by a roundtable of club representatives with direct experience of land development.

THESE RECOMMENDATIONS ARE FOR;

- **a streamlined planning pathway through State Environmental Planning Policy amendments and the Housing Delivery Authority;**
- **a government-funded advisory service to support clubs through the development process, and;**
- **proportionate relief from development contributions that recognise the community infrastructure clubs already provide.**

Key Findings

1

NSW's registered clubs collectively hold one of the largest untapped housing land banks in the state. Across approximately 1,070 clubs, the model identifies land with the capacity to support approximately 14,000 homes with no changes to their treatment under planning laws.

2

Most club land is locked out of the state's fast-track housing pathways. Approximately 454 of the 1,070 clubs sit on RE2 (Private Recreation) zoned land. Clubs are restricted to undertaking seniors housing developments on RE2 zoned land, without costly rezoning. Also, neither the Infill Affordable Housing pathway nor the Housing Delivery Authority currently accepts RE2 land.

3

With targeted policy reform, the housing yield from club land could more than double. Under a scenario in which constrained-zone clubs gain HDA access with concurrent rezoning, receive commercial development advisory support, and benefit from proportionate relief from development contributions, the model estimates approximately 38,000 expected homes could be delivered.

4

258 clubs sit within 800 metres of a train, metro, or light rail station. Club land is well located relative to existing transport infrastructure. A further 6 clubs sit within gazetted Transport Oriented Development (TOD) precincts, and 19 more are within 500 metres of a TOD boundary.

5

The interest is there, with clubs already developing, but without a coordinated pathway.

6

Victoria and Queensland have already created the architecture NSW lacks. Victoria's Development Facilitation Program has approved over 10,000 homes in two years, with its Unlocking Strategic Sites pathway explicitly naming golf courses and racing tracks. Queensland's Model Code targets 10,000 homes on faith and charity land. NSW has no equivalent for clubs.

7

Development contributions charged to clubs do not account for the community infrastructure clubs already provide. Approximately 35 to 40 per cent of local infrastructure contributions fund open space, recreation and community facilities. Clubs that retain these facilities on site while developing may effectively be charged for infrastructure they are already delivering.

Recommendations

1 Extend the Housing Delivery Authority (HDA) pathway to registered clubs on constrained zoned land, with concurrent rezoning authority

POLICY INTENT

The HDA should be empowered to facilitate concurrent rezoning as part of the State Significant Development (SSD) assessment, eliminating the need for a separate council-led Local Environment Plan (LEP) amendment. This would bring NSW into line with Victoria's Development Facilitation Program, which already provides this pathway for golf courses and racing tracks.

POTENTIAL LEVERS

The NSW Government should amend the HDA SSD Criteria to include constrained zoned land where the applicant is a registered club proposing residential development with a minimum affordable housing component, except where the development is for independent living or retirement housing.

2 Establish a government-funded commercial development advisory service for registered clubs, with Landcom as the preferred delivery vehicle

POLICY INTENT

Clubs lack the commercial and planning expertise to navigate land development without professional support. This gap leaves them vulnerable to unfavourable terms from commercial developers and prevents viable projects from proceeding. IPART identified this need in 2008. A government-aligned advisory service would protect clubs and accelerate housing delivery.

POTENTIAL LEVERS

The NSW Government should explore whether Landcom could deliver this service under. A pilot program involving two or three club sites should test the model. Alternatively, the service could be delivered through DPHI or a pre-qualified advisor panel. The service should also assist clubs in structuring CHP partnerships to access existing HPC exemptions for affordable housing dwellings.

3 Levies and fees for developing clubs should be reduced in accordance with their provision of community and recreation facilities, and open space

POLICY INTENT

Clubs already provide important, community-boosting facilities, services and spaces. A large portion of the fees, levies and charges imposed on developers reflects the need to provide services that clubs are already providing, the fees, levies and charges charged to clubs developing housing should reflect the service or facilities that they already provide.

POTENTIAL LEVERS

The NSW Government could issue a Ministerial Direction of the EP&A Act requiring council contributions plans to provide credits against the open space, recreation and community facilities components of s7.11 charges where a registered club retains equivalent infrastructure on site. For section 7.12 plans, councils should be directed to include a discretionary exemption for registered clubs retaining community infrastructure. For Voluntary Planning Agreements, a Ministerial Direction should require councils to recognise retained community infrastructure as a material public benefit and calculate value capture on the developed portion of the site only.

Part One:
The housing supply challenge

Key points

1. **NSW is not building enough homes to meet demand.** Under the National Housing Accord, NSW must deliver 377,000 new homes by June 2029, requiring approximately 75,000 per year.
2. In the first full year of the Accord, NSW completed just **44,000 homes, 58 per cent of the required** pace.[1]
3. This is **below the five-year pre-Accord average** of approximately 50,400 completions, meaning the state went backwards in the first year of a program that requires a 50 per cent uplift.[2]
4. At the current rate, NSW is projected to fall approximately **155,000 homes short** of its target.
5. The **median house price** in Sydney reached a record $1.76 million in late 2025.[3]
6. **Housing affordability has deteriorated sharply** since the pandemic. Sydney's median dwelling value is now 10 times the median household income, up from 7.7 times in September 2020.
7. Even in regional NSW, the **value-to-income ratio has risen** from 5.7 to 9.1 over the same period.
8. It now takes **13.3 years to save a 20 per cent deposit** in Sydney.
9. **Housing affordability** in Sydney and the rest of NSW is the **worst in the country.**[4]

New South Wales is in the grip of a housing crisis that is only worsening. The state is not building enough homes, prices and rents have reached record levels, and the gap between housing costs and household incomes has widened sharply since the onset of the pandemic. This section sets out the scale of the challenge that any serious housing supply initiative must contend with.

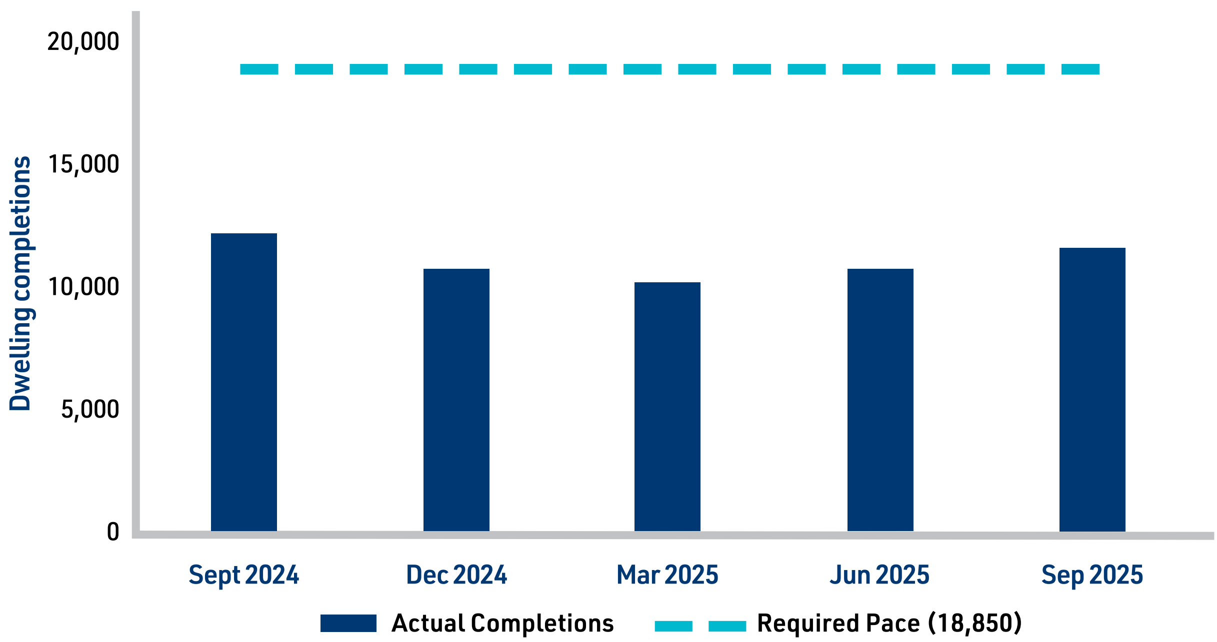
THE SUPPLY SHORTFALL

Under the National Housing Accord, NSW has committed to delivering 377,000 new homes over five years to June 2029, requiring approximately 75,400 completions per year. McKell Institute analysis of ABS Building Activity data shows that NSW completed just 44,000 homes in the first full year of the Accord (FY2024-25), on a seasonally adjusted basis. This represents 58 per cent of the required annual pace.

To put this in context, the five-year average prior to the Accord was approximately 50,400 completions per year. The state did not just fail to accelerate delivery in the first year of its most ambitious housing program, it went backwards. The Accord requires a 50 per cent uplift on recent delivery rates. Instead, completions fell below the pre-existing average.

After five quarters of the Accord period, NSW has completed approximately 55,600 homes against a pro-rata target of 94,250, a cumulative shortfall of approximately 38,700 homes. Every quarter of the Accord so far has fallen well short of the roughly 18,850 completions required per quarter. If the current rate of delivery is sustained across the remaining period, the state is projected to complete approximately 222,000 homes, falling roughly 155,000 homes short of its 377,000 target.

FIGURE 1 NSW dwelling completions vs required pace to meet Housing Accord targets



Source: McKell Institute, Australian Bureau of Statistics, NSW Government

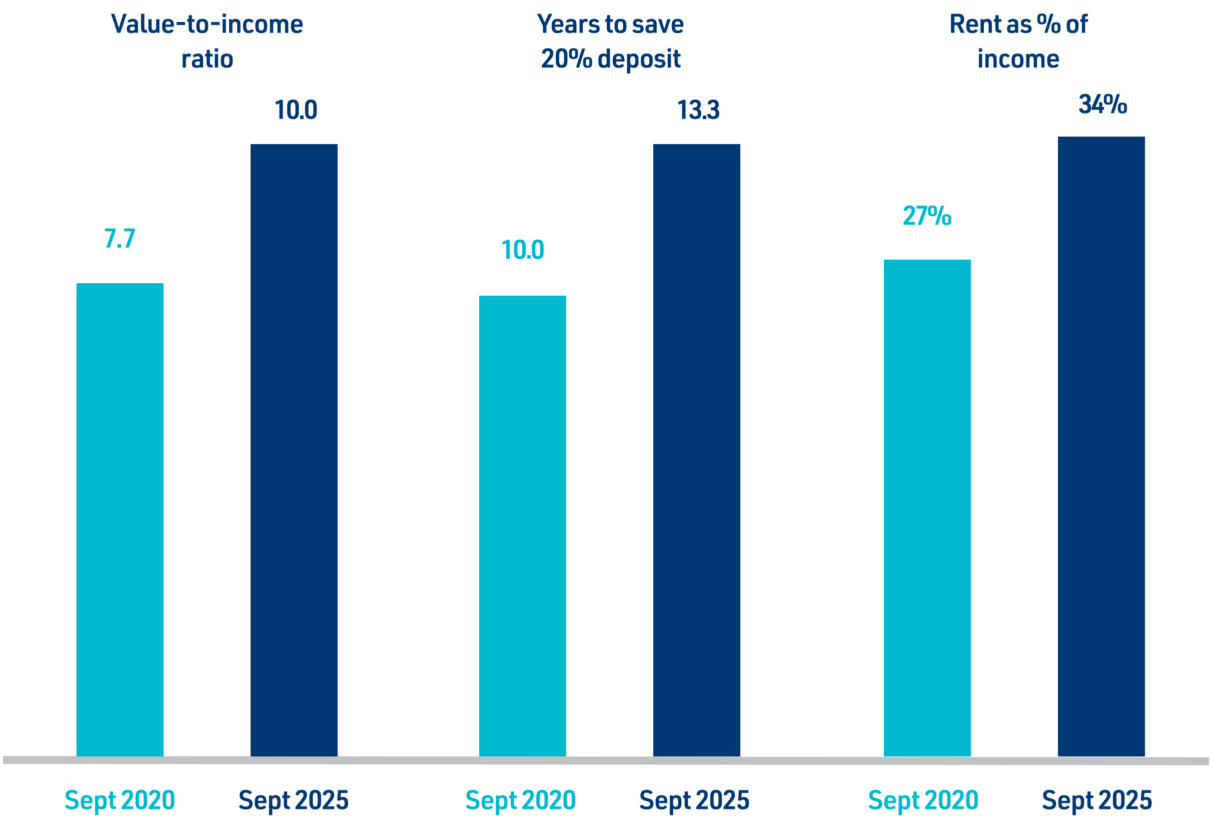
Building approvals, a leading indicator of future completions, paint a similar picture. Over the most recent 12-month period, 50,593 dwellings were approved in NSW, just 67 per cent of the annual pace required to meet the Accord target. The pipeline of approved but unbuilt dwellings is not large enough to close the gap, suggesting the shortfall will persist and likely grow through the remainder of the Accord period.[5]

AFFORDABILITY AT BREAKING POINT

The consequences of chronic undersupply are visible in every corner of the housing market. The median house price in Sydney reached a record $1.76 million in late 2025, according to Domain's Quarterly House Price Report, having risen approximately 54 per cent since the start of the pandemic.[6] However, the more revealing measure is what housing costs relative to what people earn.

According to the Cotality Housing Affordability Report, Sydney's median dwelling value is now 10.0 times the median household income, up from 7.7 times in September 2020. This is the highest ratio of any capital city or region in Australia. A median-income household in Sydney would need to save for 13.3 years to accumulate a 20 per cent deposit, and would need to devote 54.5 per cent of gross income to service a new mortgage, well above the 30 per cent threshold that is conventionally regarded as sustainable.[7]

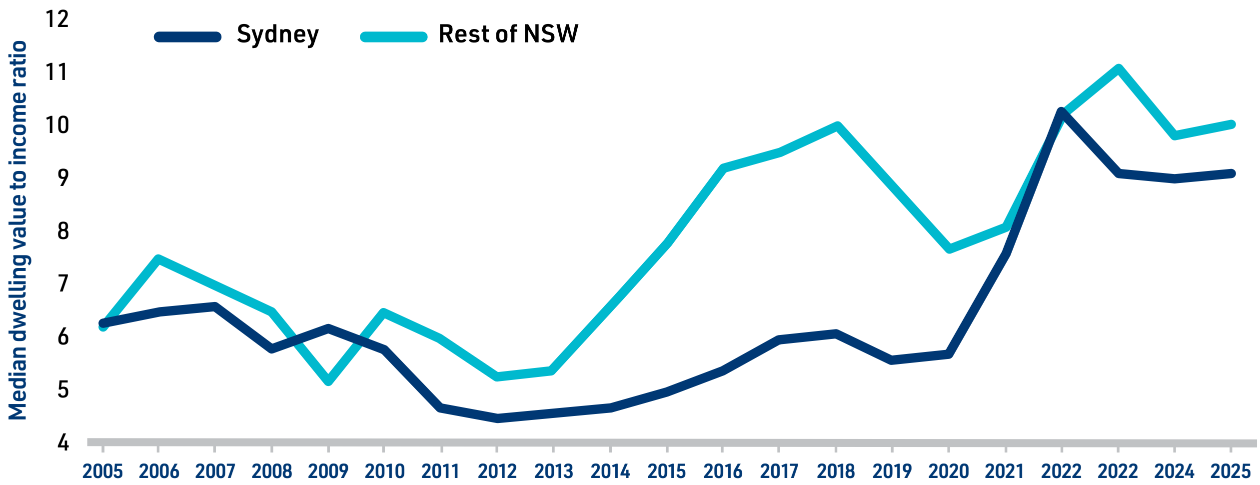
FIGURE 2 Sydney housing affordability deterioration since the pandemic



Source: Cotality

The deterioration has not been confined to Sydney. In regional NSW, the value-to-income ratio has risen from 5.7 to 9.1 over the same five-year period, a proportionally larger decline in affordability than the capital. Regional areas that were once considered an affordable alternative to Sydney have seen that advantage largely erode, driven by remote work, pandemic-era migration, and constrained local supply. Regional NSW is now the least affordable non-capital region in the country.

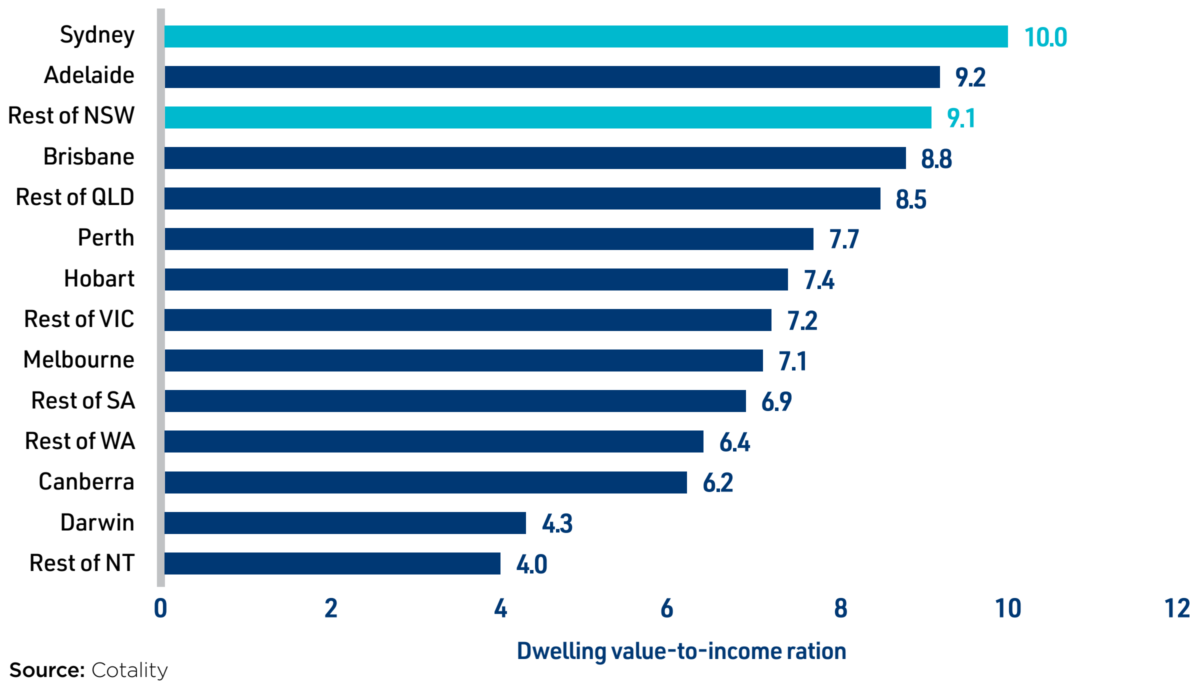
FIGURE 3 Change in Sydney and Rest of NSW dwelling to income ratio over the past 20 years



Source: Cotality

Sydney and NSW more broadly now stand out as a national outlier on housing affordability. Across all four metrics tracked by Cotality, both Sydney and regional NSW rank as the least affordable or among the least affordable markets in the country. The gap between NSW and most other states has widened considerably since 2020.

FIGURE 4 Current dwelling to income ratio by region



Source: Cotality

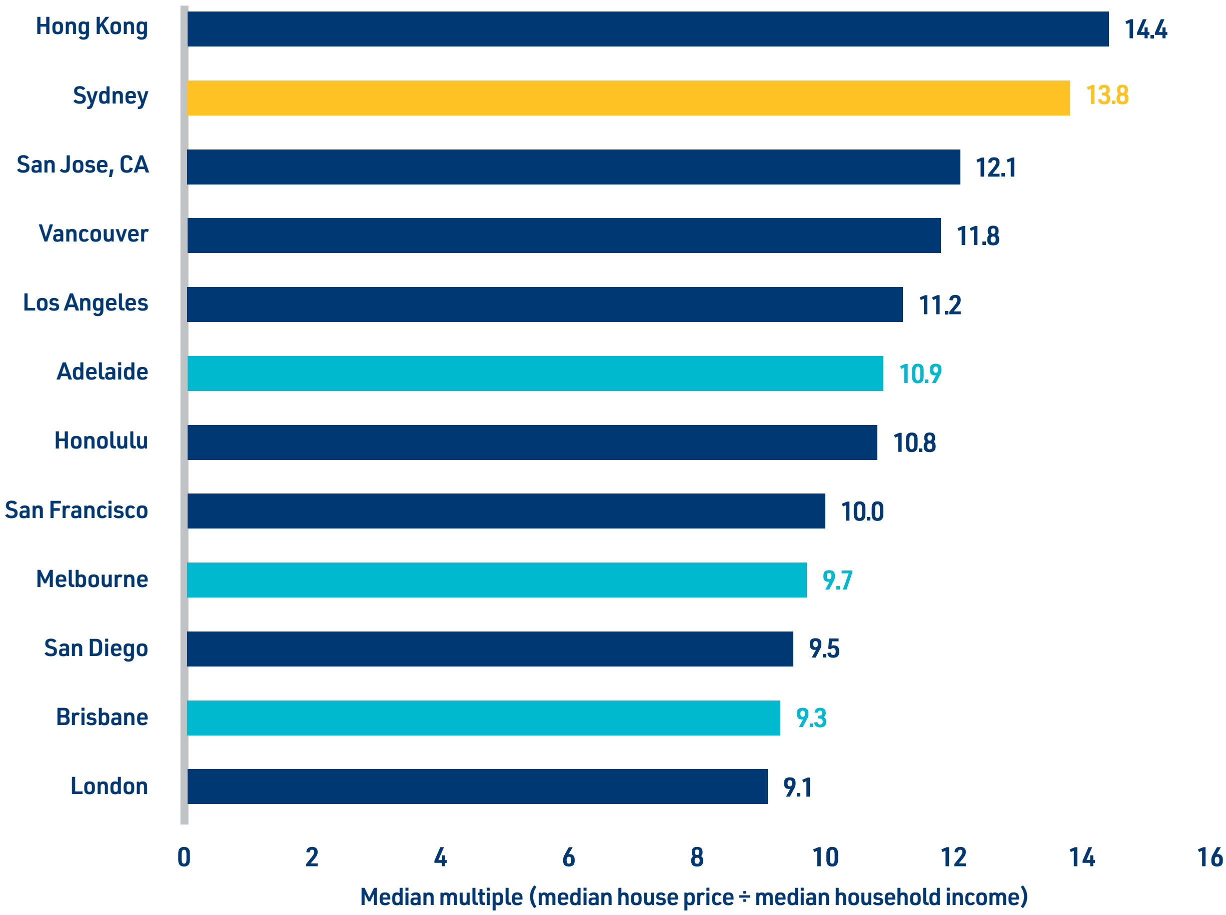
A CRISIS BY GLOBAL STANDARDS

Sydney's affordability challenge is not just severe by domestic standards, it is among the worst in the developed world. The Demographia International Housing Affordability survey ranks Sydney as the second-least affordable major housing market on the planet, behind only Hong Kong. Sydney's median house price is 13.8 times the median household income on the Demographia measure, placing it in a new category the report introduced in 2024 of "Impossibly Unaffordable", defined as a median multiple of 9.0 or above.

Four of the twelve cities globally that carry this label are Australian. Sydney (13.8) is joined by Adelaide (10.9), Melbourne (9.7), Brisbane (9.3), and San Francisco (10.0), Los Angeles (11.2), Vancouver (11.8) and San Jose (12.1) among the worst performers. Australia's national median multiple of 9.7 is the highest of any country surveyed, more than double the United States (4.8) and nearly double the United Kingdom (5.6).

Critically, the gap between Sydney and Hong Kong is narrowing. Hong Kong's ratio has fallen sharply from 23.2 to 14.4 in three years, driven by economic slowdown and emigration, while Sydney's has been rising. On current trends, Sydney is on track to overtake Hong Kong as the world's least affordable major housing market.[8]

FIGURE 5 Least affordable global housing markets



Source: Demographia

RENTERS UNDER PRESSURE

For the growing share of households that rent, the picture is equally challenging. Combined asking rents in Sydney exceed $900 per week.[9] The median renting household in Sydney now spends 33.7 per cent of income on rent, above the 30 per cent threshold where households are typically described as being in rental stress. In regional NSW, the figure is worse at 37.2 per cent, reflecting the rapid escalation of rents in coastal and peri-urban areas over the past five years.[10]

For lower-income renters, the situation is dire. Analysis by SGS Economics and Planning found that a single person on JobSeeker would need to allocate 131 per cent of their income to afford median rent in Sydney, making stable housing unattainable without significant assistance.[11] The rental vacancy rate in Sydney sits at approximately 1.3 per cent,[12] well below the 2.5 to 3.5 per cent range that is generally considered to represent a balanced market.

THE SOCIAL HOUSING CRISIS

At the sharpest end of housing need, more than 67,000 households are on the NSW social housing waiting list, a figure that has grown by approximately 3.8 per cent in the past year. Median wait times for general applicants are almost 15 months.[13] The social housing stock has declined as a proportion of total dwellings over recent decades, placing greater pressure on private rental markets that are themselves under strain.[14]

GOVERNMENT REFORMS ARE NECESSARY, BUT STILL NOT SUFFICIENT

The NSW Government has responded to the crisis with a suite of significant planning and supply-side reforms. The Housing Delivery Authority has declared 325 projects representing approximately 110,000 potential homes.[15] Transport Oriented Development reforms target over 230,000 homes near railway stations.[16] The Low and Mid-Rise Housing Policy targets 112,000 homes over five years.[17] An audit of surplus government land has identified approximately 11,000 potential homes across the state.[18]

These are important and welcome initiatives. But even in combination, they face a fundamental arithmetic problem. The state needs to deliver 75,400 homes per year and is currently completing around 44,000. The gap cannot be closed by any single reform or any single source of land. It requires every viable source of housing land to be identified, unlocked, and brought into the development pipeline.

This is the context in which NSW's registered clubs deserve serious attention as a potential contributor to housing supply. As the following section demonstrates, the state's 1,070 registered clubs collectively hold significant quantities of sometimes underutilised land in locations where housing is needed most.

Part Two:
The clubs opportunity

Key points

1. **NSW has approximately 1,070 registered clubs holding land across the state,** including 305 bowling clubs, 223 golf clubs, 162 RSL clubs, 62 leagues clubs and more than 300 other sporting and community clubs.

2. McKell Institute modelling estimates these clubs have the **theoretical capacity to deliver approximately 82,000 new homes**, before accounting for the fact that many clubs will choose not to develop.

3. Applying realistic participation assumptions, the central estimate is that **approximately 14,000 homes could be delivered** under current planning pathways.

4. Under a policy scenario in which clubs on constrained land are given access to the Housing Delivery Authority fast-track pathway and government-funded development advisory services, the **expected yield rises to approximately 38,000 homes**.

5. **The opportunity is concentrated where housing is most needed.** The majority of developable club land sits in metropolitan Sydney, the Central Coast, the Hunter and the Illawarra.

6. Approximately 60 per cent of clubs sit on land zoned RE2 (Private Recreation) or other constrained zones that do not currently permit residential development. These clubs represent the largest untapped component of the opportunity but **require rezoning or concurrent assessment to unlock.**

7. Many clubs face declining membership, rising costs, ageing infrastructure and reduced gaming revenue. In addition, rising compliance costs, growing regulatory burden and social licence risk, creates a need to reduce reliance on gaming. **Residential development of underutilised portions of a site offers a pathway to financial sustainability** while contributing to housing supply. Development does not require a club to close.

8. Unlike private landholders, **clubs are community-owned and locally governed.** Development on club land can be structured to include affordable housing, community facilities and open space contributions that purely commercial developments rarely deliver.

9. **The clubs opportunity is not a substitute for the government's existing reform program. It is a complement.** If even a fraction of the estimated 38,000 homes under the policy scenario were delivered, it would represent a meaningful contribution to closing the Accord shortfall, at modest cost to government relative to the housing supply unlocked.

NSW's 1,070 registered clubs collectively hold more than 10,000 hectares of land across the state. This section presents the findings of McKell Institute modelling that estimates how much of that land could realistically contribute to housing supply, under both current planning settings and a targeted policy scenario.

WHAT ARE REGISTERED CLUBS?

Registered clubs are a distinctive feature of the NSW social and civic landscape. They are not-for-profit community organisations, governed by volunteer boards elected by their members and regulated under the *Registered Clubs Act 1976* (NSW).[19] ClubsNSW, the peak industry body, represents more than 1,000 registered clubs across the state. As ClubsNSW describes them, "registered clubs were created to give, and exist to give back to their local communities."[20]

The industry is substantial. As of 2023, NSW clubs supported approximately 75,500 jobs and their overall social and economic contribution is valued at $9 billion per annum. They pay more than $1.2 billion in taxes each year. Clubs also make approximately $104 million per annum in direct community donations, and club volunteers contribute roughly 500,000 hours of community service annually.[21]

Clubs vary enormously in size and function. They range from large leagues clubs with hundreds of employees, commercial-scale hospitality operations and tens of millions in annual revenue, to small bowling clubs in country towns run almost entirely by volunteers. Some are affiliated with a particular sport, such as the state's golf clubs, rugby league clubs and RSL sub-branches. Others are broad-based community and recreation clubs. What they have in common is a not-for-profit structure, a membership-based governance model, and land.

Many of the state's clubs were established decades ago on allotments that were, at the time, on the suburban fringe or in country towns. Some occupy Crown Land, others sit on land donated by local councils or acquired when land values were a fraction of what they are today.

A bowling club established in the 1950s on what was then a quiet suburban block may now sit on land worth many millions of dollars in an established residential area with excellent transport links. A golf course laid out on the rural edge of Sydney in the 1960s may now be surrounded by housing estates and located within a priority growth corridor. The result is that a significant number of clubs now hold sites that are far larger than their current operations require, in suburbs and towns that have grown around them.

The dataset used for this analysis covers 1,070 individual clubs, drawn from ClubsNSW membership records cross-referenced with cadastral, planning and geospatial data. These include 305 bowling clubs, 223 golf clubs, 162 RSL and ex-services clubs, 62 leagues clubs and more than 300 other sporting and community clubs.

THE MODELLING APPROACH

We developed a bottom-up housing land model that estimates the number of homes each club site could support. The model applies a simple formula to every club in the dataset, individually.

Each club's estimate is the product of four inputs: lot area (measured in hectares), development share (the fraction of the site assumed to be available for housing), density (dwellings per hectare, derived from local planning controls), and participation rate (the likelihood that a given club will actually pursue development). The participation rate discounts the raw capacity to a realistic expected yield, accounting for the fact that many clubs will choose not to develop.

The model is deliberately conservative. Golf courses are assigned a development share of just 15 per cent, reflecting development of peripheral land only and well below the 30 to 50 per cent commonly seen in international golf course redevelopments. Premier and championship courses are assigned an even lower figure of 5 per cent, with a participation rate of just 5 per cent. Density assumptions are location-graduated for constrained zones rather than applied as a blanket figure. Clubs in the data were reviewed as part of a quality assurance process, and 43 were adjusted downward where the raw data overstated the likely developable area. A full description of the model methodology, assumptions and sensitivity analysis is provided in the Technical Appendix.

The participation rates used in this model are assumptions informed by the characteristics of each club, including type, location, zoning and financial position, but are not derived from survey data or revealed preferences. They represent our judgement about the likelihood that a club with those characteristics would pursue development.

WHAT THE MODEL FOUND

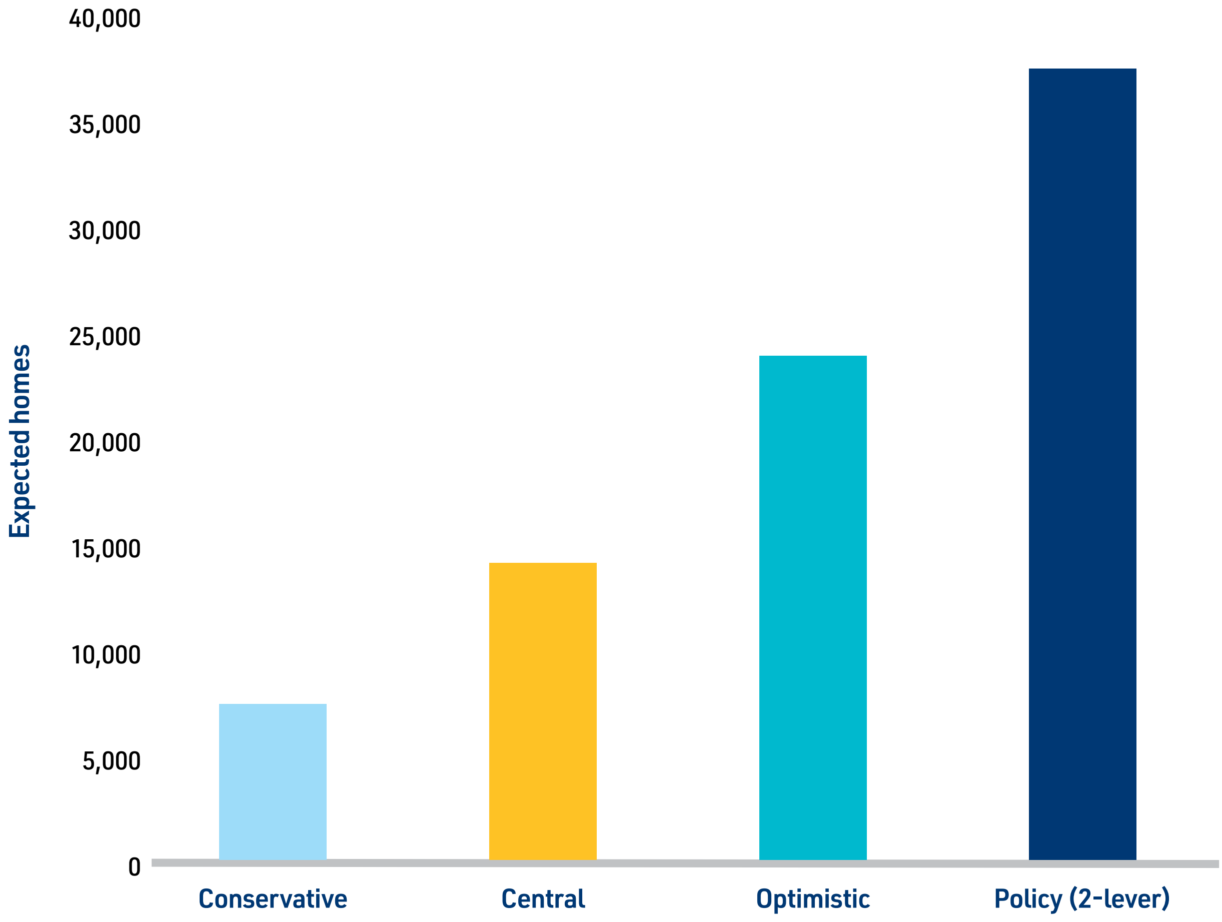
Under the central scenario, the model estimates a theoretical capacity of approximately 82,000 homes and an expected yield of approximately 14,000 homes. Under a policy scenario that applies three targeted levers to clubs on constrained land, the expected yield rises to approximately 38,000 homes.

TABLE 1 Model findings

Scenario	Capacity (100%)	Expected homes
Conservative	42,500	7,600
Central	82,000	14,300
Optimistic	143,600	24,200
Policy (with reforms)	217,600	37,700

Source: Demographia

FIGURE 6 Expected homes by modelling scenario



Source: McKell Institute

The conservative and optimistic scenarios provide a sensitivity range around the central estimate. The conservative scenario yields approximately 7,600 homes and the optimistic scenario approximately 24,000. The central figure of approximately 14,000 is the figure used throughout this report unless otherwise stated. It represents our best estimate of how many homes could realistically be delivered under current planning settings.

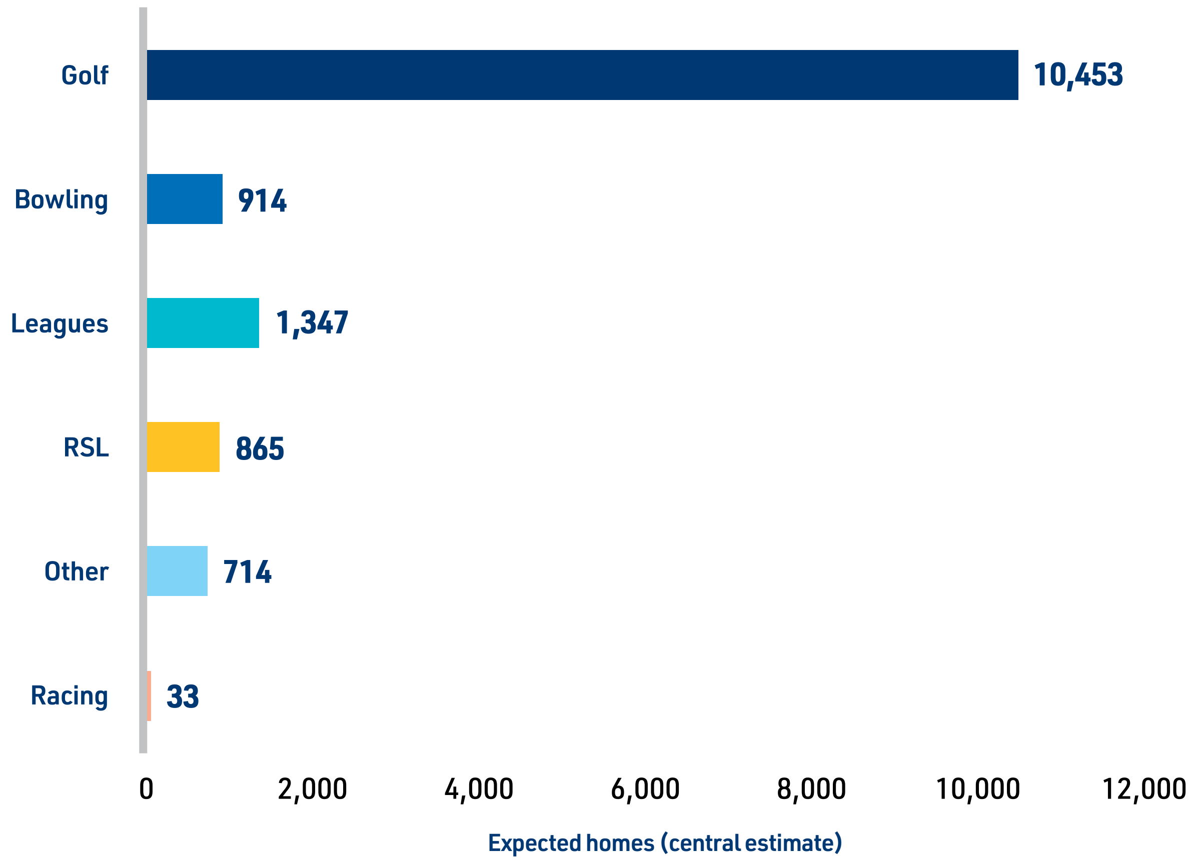
The policy scenario is intended to be purely illustrative. It models the potential yield if the proposed reforms are implemented and achieve their intended effect. It is not a forecast. The policy levers, and their rationale, are set out in detail in Part 3.

The difference between the central and policy estimates is driven almost entirely by clubs on land that does not currently permit residential development. Under current settings, these clubs face a dual barrier: they need to rezone their land before they can begin a development application, and most lack the commercial expertise to navigate that process. The policy scenario assumes that both barriers are lowered through access to the Housing Delivery Authority pathway, government-funded advisory services, and proportionate levy relief.

WHERE THE OPPORTUNITY COMES FROM

Golf clubs account for 73 per cent of the expected homes in the central estimate. This is a function of land area rather than development intensity. The 223 golf courses in the dataset hold more than 9,600 hectares, dwarfing the combined land holdings of all other club types. Even at a modest 15 per cent development share, this translates to a large number of potential dwellings.

FIGURE 7 Expected homes by club type



Source: McKell Institute

Bowling clubs contribute approximately 900 homes, leagues clubs approximately 1,350, RSL clubs approximately 870 and other sporting and community clubs approximately 710. While these figures are individually smaller, they are spread across a large number of sites in established suburban locations, often on land that is already zoned for residential use.

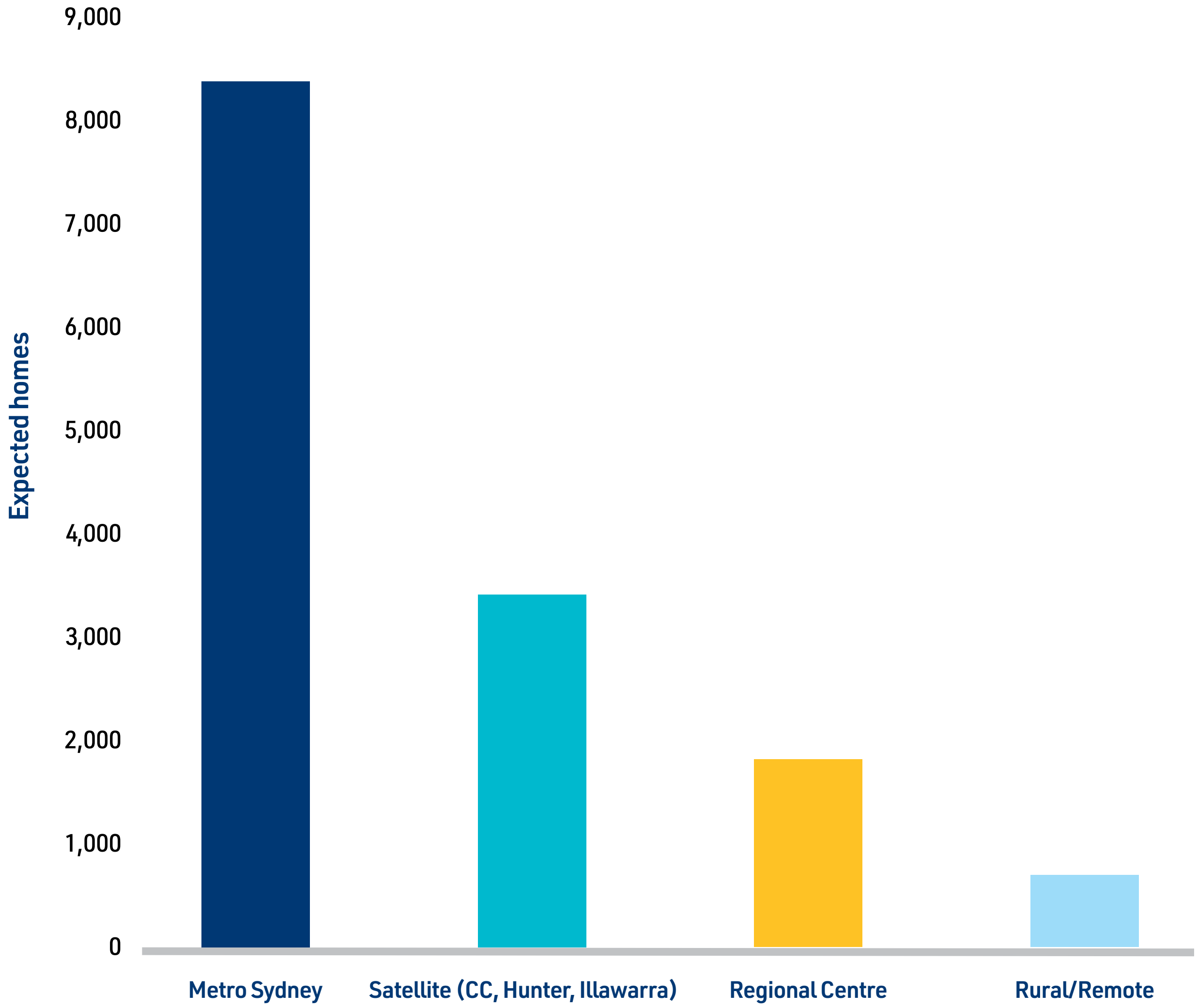
Approximately 276 clubs in the dataset sit on Crown Land. Rather than representing an obstacle to development, this may present an advantage under the policy scenario proposed in this report. The NSW Government, as the ultimate landowner, can facilitate development on Crown Land as part of its housing program, coordinating tenure consent with planning assessment through the HDA pathway. The proposed advisory service would help clubs navigate the additional requirements under the *Crown Land Management Act* 2016.


PANTHERS
PANTHERS

WHERE THE OPPORTUNITY IS LOCATED

The geographic distribution of club land aligns closely with where housing is most needed. Metropolitan Sydney accounts for 58 per cent of expected homes in the central estimate. The satellite cities of the Central Coast, Hunter and Illawarra account for a further 24 per cent. Together, these regions represent 82 per cent of the total expected yield, and they are the same regions that carry the bulk of the Housing Accord target

FIGURE 8 Expected homes by high-level location



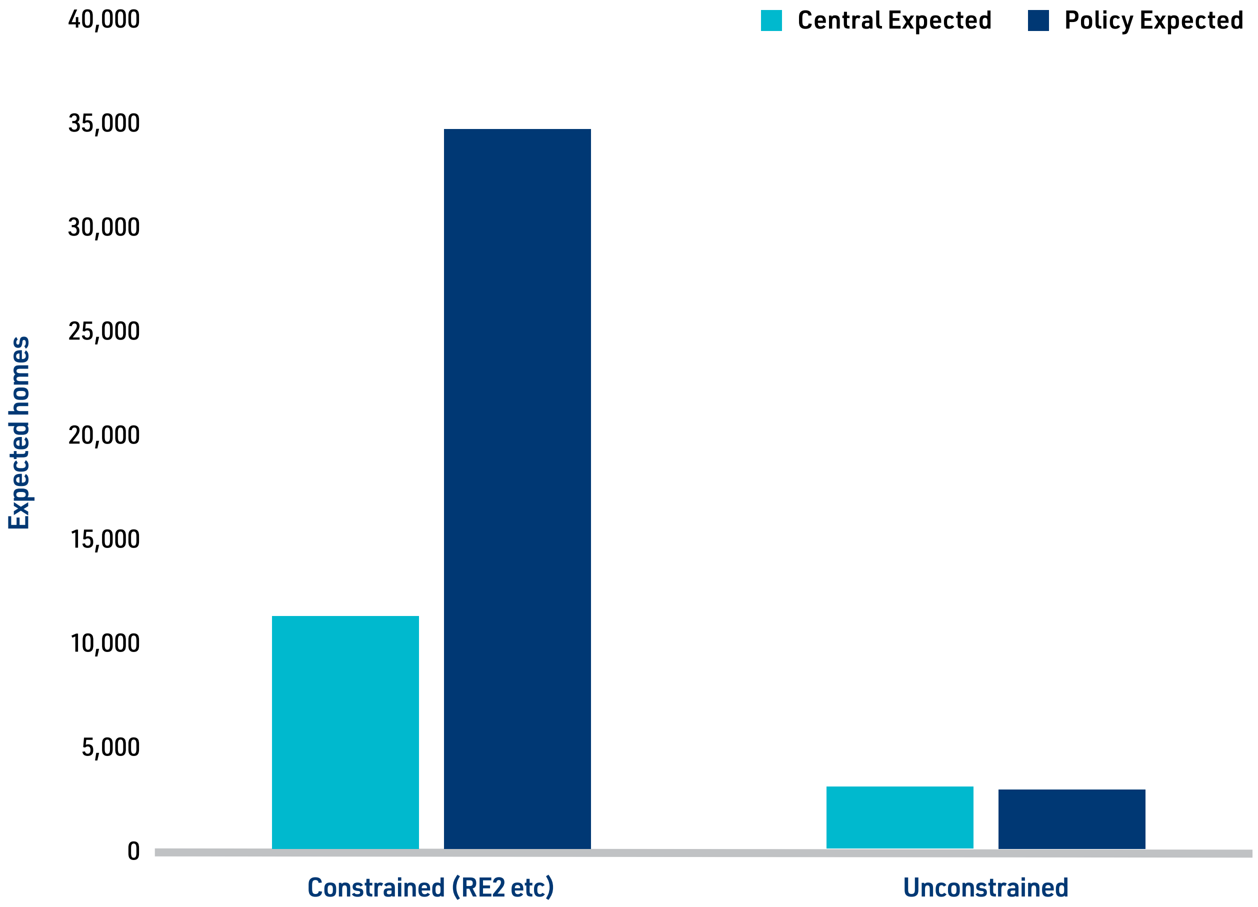
Source: McKell Institute

Regional centres contribute 13 per cent and rural and remote areas 5 per cent. The policy scenario significantly increases the contribution from regional and satellite areas, where a higher proportion of clubs sit on constrained RE2 land that would benefit from the proposed rezoning pathway.

THE RE2 CHALLENGE

Approximately 60 per cent of clubs in the dataset, some 645, sit on land zoned RE2 (Private Recreation) or other constrained zones that do not currently permit residential development. These clubs hold the majority of the total land area and the majority of the modelled housing capacity.

FIGURE 9 Constrained vs unconstrained, central vs policy



Source: McKell Institute

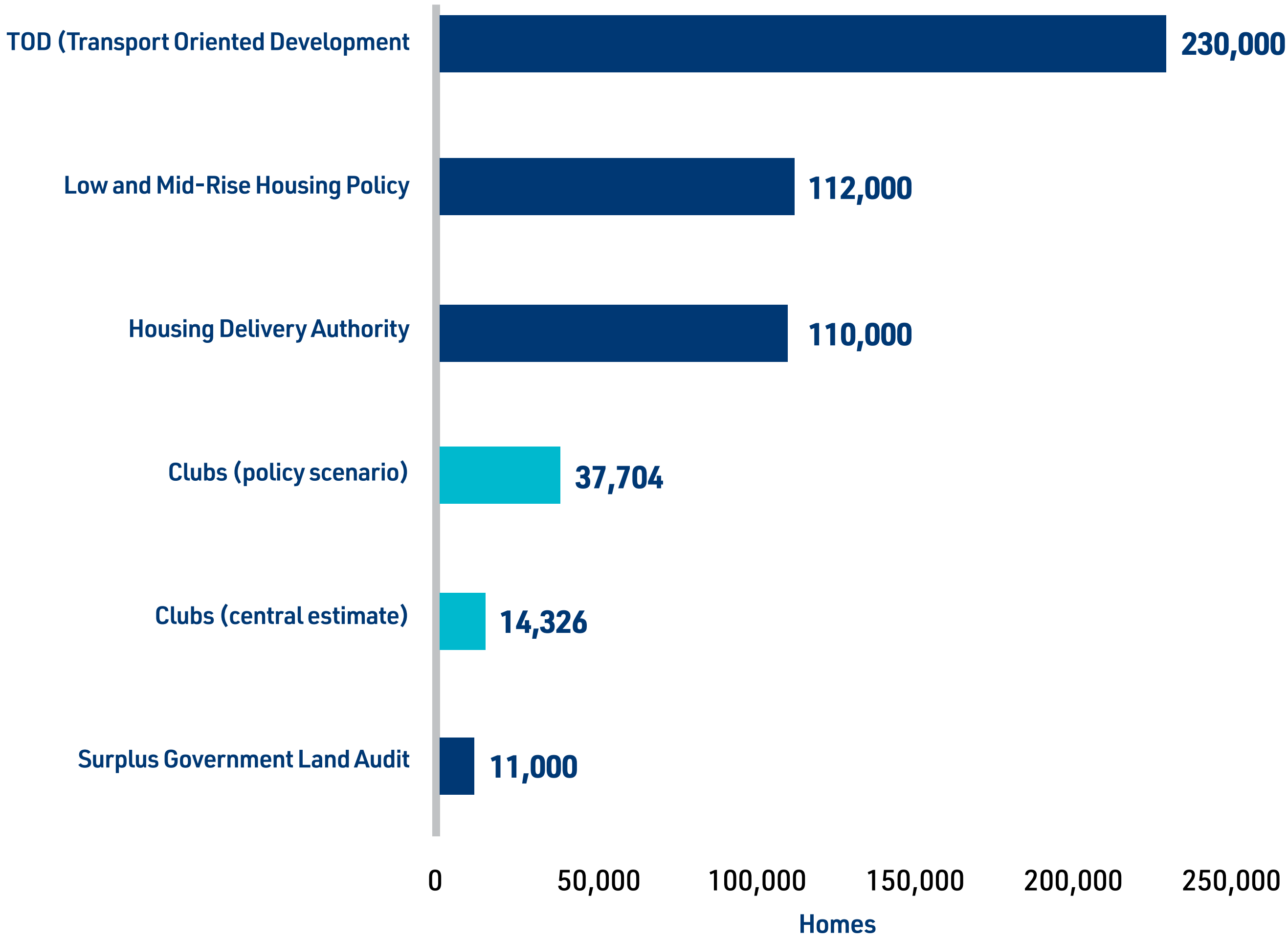
Under current settings, constrained clubs contribute approximately 11,300 expected homes. Under the policy scenario, that figure rises to approximately 34,700. The remaining 425 clubs on unconstrained land contribute approximately 3,000 expected homes, and their numbers do not change under the policy scenario because they already have the planning pathways they need. The entire uplift from 14,000 to 38,000 homes comes from unlocking the constrained sites.

This is the core policy insight of our modelling. The clubs opportunity is large, but the majority of it is locked behind a zoning barrier. Without a pathway to rezone constrained land efficiently, or allowing expanded use within the existing RE2 zoning, the bulk of the potential remains theoretical.

CLUBS IN CONTEXT

To put these figures in perspective, the clubs opportunity under the policy scenario would represent a meaningful addition to the broader suite of NSW housing supply initiatives.

FIGURE 10 NSW housing supply initiatives comparison



Source: McKell Institute, NSW Government

The government's Transport Oriented Development reforms target 230,000 homes over 15 years.[22] The Low and Mid-Rise Housing Policy targets 112,000 over five years.[23] The Housing Delivery Authority has declared 325 projects representing 110,000 potential homes.[24] The surplus government land audit has identified approximately 11,000 homes.[25] The clubs policy estimate of approximately 38,000 sits comfortably alongside these programs in scale, and represents a non-trivial addition to the pipeline at modest cost to government relative to the housing supply unlocked.

Even the central estimate of approximately 14,000 homes, which assumes no change to current policy settings, is comparable in scale to the total identified through the surplus government land audit.

WHY CLUBS WOULD PURSUE DEVELOPMENT

The model does not assume that every club will choose to develop. The participation rate accounts for the reality that many clubs are financially secure, operationally satisfied with their current site, or simply uninterested. But a significant number of clubs face genuine financial and operational pressures that make development an attractive proposition.

Declining membership, rising operational costs, ageing infrastructure, reduced gaming revenue and increased competition from other entertainment options have placed many clubs under strain. For these clubs, residential development of underutilised portions of their site offers a pathway to financial sustainability. A golf club that develops a fringe parcel for townhouses can use the proceeds to fund course improvements, a new clubhouse or upgraded facilities. A bowling club with surplus greens can replace them with medium-density housing that brings new residents, and new members, to the club's doorstep.

Critically, development does not require a club to close. The modelling is built on the assumption of partial development: a share of the site is used for housing, while the remainder continues to serve its recreational and community function.

WHY CLUBS ARE WELL SUITED TO THIS ROLE

Registered clubs have several characteristics that make them distinctive and potentially valuable partners in housing delivery. Unlike private landholders, they are not-for-profit, community-owned and locally governed. Their boards are elected by members who live in the surrounding area and have a direct stake in the character and amenity of their neighbourhood.

This governance structure means that development on club land can be shaped to serve community purposes in ways that purely commercial developments rarely achieve. Clubs can negotiate to include affordable housing, retain open space, fund community infrastructure and ensure that development contributes positively to the surrounding area. They also have an ongoing presence in the community that gives them a reputational incentive to get development outcomes right.

The clubs opportunity is not a substitute for the government's existing reform program. It is a complement. If even a fraction of the estimated 38,000 homes under the policy scenario were delivered, it would represent a meaningful contribution to closing the Accord shortfall, drawn from a source of land that has until now been entirely absent from the housing supply conversation.

Part Three:
Policy recommendations

Key points

1. Our modelling shows that the **majority of the clubs housing opportunity is locked behind a zoning barrier.**

2. Approximately **60 per cent of clubs** sit on RE2 or other constrained land that **does not permit residential development.** Without policy action, the bulk of the estimated 38,000 homes under the policy scenario cannot be realised.

3. We recommend that **NSW Government amend State Environmental Planning Policy** to allow residential developments on club RE2 zoned land and extend the Housing Delivery Authority fast-track pathway to registered clubs on constrained RE2 zoned land, with concurrent rezoning authority.

4. We also recommend that the NSW Government should **establish a government-funded commercial development advisory service for registered clubs**.

5. **The HDA pathway** would allow clubs on constrained zoned land to submit a development application that is assessed as State Significant Development, with rezoning handled concurrently rather than requiring a separate council-led LEP amendment. This eliminates the single largest barrier identified in our research.

6. **The advisory service would assist clubs in navigating feasibility assessment, developer selection, planning pathway identification and governance obligations** under the *Registered Clubs Act 1976*. This fills a gap identified by IPART in 2008 and confirmed by the experience of clubs that have attempted development without specialist support.[26]

7. **Neither recommendation requires significant government expenditure.** The HDA pathway is an administrative and legislative change. The advisory service could be delivered through an existing agency or body, like Landcom, at modest cost relative to the housing supply it would unlock.

8. **Both recommendations include safeguards.** The HDA pathway would require a minimum affordable housing component, except where the development is for independent living or retirement housing. The advisory service would ensure clubs meet their governance obligations and engage appropriate development partners.

9. **Clubs are charged for community infrastructure they already provide.** Approximately 35 to 40 per cent of local infrastructure contributions fund open space, recreation and community facilities, the same categories that many clubs retain and operate on site.

10. **Proportionate contribution relief would remove this barrier without new legislation.** Reducing section 7.11 and 7.12 levies and Voluntary Planning Agreement obligations to reflect the infrastructure clubs retain could improve feasibility for not-for-profit developers.

Our modelling shows that approximately 14,000 homes could be delivered on club land under current planning settings, rising to approximately 38,000 under a targeted policy scenario. The difference between these two figures is almost entirely explained by the clubs sitting on RE2 or other constrained land. These clubs hold the majority of the developable land, but face a dual barrier: they cannot build housing without first rezoning their land, and most lack the commercial expertise to navigate that process.

This section sets out three recommendations that together address these barriers.

RECOMMENDATIONS OF THIS REPORT

1 Extend the Housing Delivery Authority (HDA) pathway to registered clubs on constrained zoned land, with concurrent rezoning authority

POLICY INTENT

The HDA should be empowered to facilitate concurrent rezoning as part of the State Significant Development (SSD) assessment, eliminating the need for a separate council-led Local Environment Plan (LEP) amendment. This would bring NSW into line with Victoria's Development Facilitation Program, which already provides this pathway for golf courses and racing tracks.

POTENTIAL LEVERS

The NSW Government should amend the HDA SSD Criteria to include constrained zoned land where the applicant is a registered club proposing residential development with a minimum affordable housing component, except where the development is for independent living or retirement housing.

2 Establish a government-funded commercial development advisory service for registered clubs, with Landcom as the preferred delivery vehicle

POLICY INTENT

Clubs lack the commercial and planning expertise to navigate land development without professional support. This gap leaves them vulnerable to unfavourable terms from commercial developers and prevents viable projects from proceeding. IPART identified this need in 2008. A government-aligned advisory service would protect clubs and accelerate housing delivery.

POTENTIAL LEVERS

The NSW Government should explore whether Landcom could deliver this service under. A pilot program involving two or three club sites should test the model. Alternatively, the service could be delivered through DPHI or a pre-qualified advisor panel. The service should also assist clubs in structuring CHP partnerships to access existing HPC exemptions for affordable housing dwellings.

3 Levies and fees for developing clubs should be reduced in accordance with their provision of community and recreation facilities, and open space

POLICY INTENT

Clubs already provide important, community-boosting facilities, services and spaces. A large portion of the fees, levies and charges imposed on developers reflects the need to provide services that clubs are already providing, the fees, levies and charges charged to clubs developing housing should reflect the service or facilities that they already provide.

POTENTIAL LEVERS

The NSW Government could issue a Ministerial Direction of the EP&A Act requiring council contributions plans to provide credits against the open space, recreation and community facilities components of s7.11 charges where a registered club retains equivalent infrastructure on site. For section 7.12 plans, councils should be directed to include a discretionary exemption for registered clubs retaining community infrastructure. For Voluntary Planning Agreements, a Ministerial Direction should require councils to recognise retained community infrastructure as a material public benefit and calculate value capture on the developed portion of the site only.

RECOMMENDATION 1

Pathway for clubs on constrained zoned land

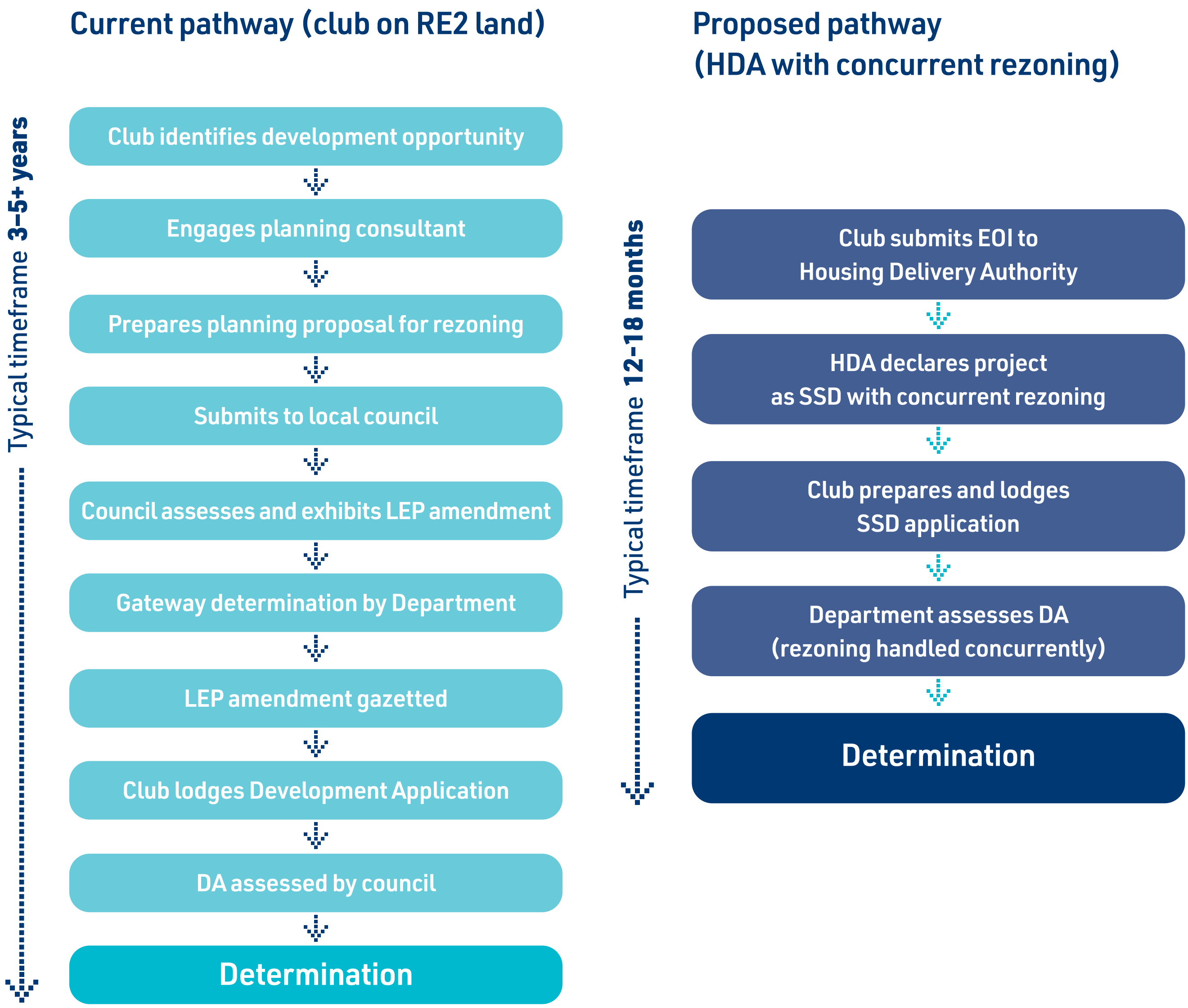
In 2021, the NSW Government introduced the *State Environmental Planning Policy (Housing)*, which allows seniors housing on club land zoned RE2. This change enabled clubs to pursue seniors housing without undergoing costly and time-consuming rezoning. The streamlined pathway has already supported many seniors housing projects across the sector. We recommend extending the SEPP to permit other forms of residential development on club RE2 land.

The HDA was established to streamline planning approvals for major residential developments. Projects above $60 million in metropolitan areas and $30 million in regional NSW can be declared SSD, with the Department of Planning, Housing and Infrastructure acting as the assessment authority rather than local council. We recommend halving the SSD thresholds (to $30 million in metropolitan areas and $15 million in regional NSW), which would position a greater number of clubs to access the HDA pathway.

The HDA already has the power to facilitate concurrent rezoning as part of the SSD assessment process, eliminating the need for a separate council-led LEP amendment. This concurrent pathway is precisely what clubs on RE2 land need. Under the current system, a club that wants to develop part of its site for housing must first secure a rezoning through council, a process that typically takes three to five years and often longer. Only after the rezoning is gazetted can the club lodge a development application. The result is a planning process that can stretch across the better part of a decade before a single home is built.

We recommend that the SSD criteria be amended to include constrained zoned land where the applicant is a registered club proposing residential development with a minimum affordable housing component, except where the development is for independent living or retirement housing. This would allow clubs to access the HDA pathway and have their rezoning and development application assessed concurrently by the Department.

FIGURE 10 NSW housing supply initiatives comparison



The practical effect would be to reduce the typical timeframe from three to five years under the current process, to 12 to 18 months under the proposed pathway. It would also shift assessment from council to the Department, providing greater consistency and reducing the risk that local political dynamics delay or block projects that are in the broader public interest.

This is not a novel proposition. Victoria's Development Facilitation Program (DFP) already provides a comparable pathway for residential development on golf courses and racing venues. In contrast to SSD in NSW, this Program has $50 million (metro) and $15 million (regional) thresholds for residential housing. Under the DFP, the Victorian Minister for Planning can act as the planning authority for projects that deliver significant housing supply, with rezoning and assessment handled simultaneously. The DFP has facilitated residential development on multiple golf course sites across Melbourne.

TABLE 2 Interstate policy comparison

	NSW (current)	Victoria (DFP)	Queensland
Fast-track pathway for clubs	No. Clubs on RE2 must rezone via council LEP amendment before lodging a DA.	Yes. Development Facilitation Program provides streamlined pathway for projects on golf courses and racing venues.	Partial. Code-assessable pathways for community-scale housing, but no club-specific pathway.
Concurrent rezoning	Not available for clubs. HDA concurrent rezoning exists but RE2 land and club applicants are not currently eligible.	Available through DFP. Minister can rezone and assess simultaneously.	Not directly applicable. Queensland planning framework differs.
Typical timeframe	3–5+ years via council-led LEP process.	12–18 months through DFP.	Variable. Depends on local government.
Affordable housing requirement	Not applicable (no pathway exists).	DFP projects typically include affordable housing and community benefit conditions.	Varies by local government.
Notable examples	None to date. Clubs on RE2 land have not been able to access state-level fast-track pathways.	Kingswood Golf Club, Sandhurst Club, multiple racing venues.	Limited precedent for club-specific development.

NSW is currently behind Victoria in providing a workable pathway for clubs and other institutional landholders to contribute to housing supply. Extending the HDA to cover clubs on RE2, and other constrained zoned land, would bring NSW into line with Victoria and unlock the largest single component of the clubs opportunity.


Coopers
FOREVER ORIGINAL
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FOREVER ORIGINAL

RECOMMENDATION 2

Establish a government-funded advisory service

Even with a streamlined planning pathway, many clubs will struggle to pursue development without professional support. The challenge is not simply regulatory. It is commercial. A club board considering development must navigate feasibility assessment, developer selection and negotiation, planning pathway identification, governance obligations under the *Registered Clubs Act 1976*, and community engagement. These are not capabilities that most volunteer boards possess.

IPART's 2008 review of the registered clubs industry identified clubs' "underutilised landholdings in strategic locations" as a collective asset that could be leveraged, while simultaneously warning that clubs needed support with "due diligence and planning procedures" before pursuing diversification strategies. Nearly two decades later, that gap remains unaddressed for the specific challenge of land development.[27]

We recommend that the NSW Government fund a specialist advisory service, delivered through an appropriate agency or body, to assist registered clubs in navigating the planning, commercial and governance dimensions of land development.

The roundtable highlighted the risk that clubs face when engaging with commercial developers without adequate support. Several participants described experiences where developers offered unfavourable terms to clubs that lacked the expertise to identify them. As one participant put it: "the greatest barrier is trusted advisers that you can rely on, who want to help the club, not themselves." A government-funded advisory service would provide clubs with an independent source of expertise aligned with their interests, not a developer's.

The NSW Government should explore whether Landcom could serve as the primary delivery vehicle for this service. Landcom is empowered to provide advice and services related to urban development to government agencies and others. Registered clubs delivering housing with an affordable component on community-owned land would align with Landcom's public interest mandate, and a Landcom partnership would give clubs access to government development capability without the risks associated with commercial developers whose interests may not align with the club's long-term sustainability. A pilot program involving two or three club sites could test the model before broader rollout. Alternatively, the service could be delivered through a specialist unit within the Department of Planning, Housing and Infrastructure, or through a panel of pre-qualified advisors procured by ClubsNSW with government funding.

The advisory service would also assist clubs in structuring their developments to include an affordable housing component delivered through a registered Community Housing Provider. This would allow clubs to access existing exemptions from the Housing and Productivity Contribution for affordable dwellings, reducing the overall levy burden without requiring any legislative change.[28]

The cost of the service would be modest relative to the housing supply it could unlock. If the advisory service enabled even 10 per cent of constrained clubs to pursue development that they would not otherwise have undertaken, it would generate thousands of additional homes at a fraction of the cost of direct government land acquisition or construction.

RECOMMENDATION 3

Levy and contribution relief for clubs retaining community infrastructure

Residential development in NSW attracts a range of levies and contributions at both the local and state level. The largest components are section 7.11 local infrastructure contributions (or, alternatively, section 7.12 fixed levies), and Voluntary Planning Agreements negotiated in connection with rezonings. Together, these charges represent a significant share of total development cost and a material barrier to feasibility, particularly for not-for-profit organisations like registered clubs that do not have the same capacity to absorb upfront costs as commercial developers.

We do not argue against these charges or the principles behind them. Development creates demand for new infrastructure, and it is reasonable that developers contribute to the cost of providing it. But the current framework does not account for the fact that registered clubs developing their land may retain significant community infrastructure on site, including sporting fields, recreation facilities, open space and community rooms, that reduces the demand for new council-provided infrastructure. The contribution burden should reflect this.

HOW THE CONTRIBUTIONS FRAMEWORK WORKS

Two charges make up the bulk of the local contribution burden. Section 7.11 of the *Environmental Planning and Assessment Act 1979* (the EP&A Act) allows councils to levy contributions for specific local infrastructure that new development necessitates, including local roads, stormwater drainage, open space, recreation facilities and community facility land.[29] Contribution rates are set by council contributions plans and vary significantly: from $15,000 to $20,000 per dwelling in established areas (where rates are capped by Ministerial Direction at $20,000 unless reviewed by IPART),[30] to $75,000 or more per dwelling in IPART-reviewed greenfield growth area plans.[31] The alternative, section 7.12, is a flat levy of 1 per cent of estimated development cost with no nexus requirement.[32] A development cannot be subject to both.

For clubs on RE2 land seeking rezoning, there is a further charge. Voluntary Planning Agreements (VPAs) are negotiated between the developer and the council as part of the rezoning process. Although nominally voluntary, they function in practice as a condition of council support for the planning proposal. VPA contributions are uncapped and unformulated, and can be the single largest cost item on a rezoning site. Roundtable participants described them as "seemingly compulsory," with individual clubs reporting VPA obligations of $10 million to $23 million on major projects.

THE COMMUNITY INFRASTRUCTURE SHARE

A significant proportion of section 7.11 contributions fund the same categories of community infrastructure that registered clubs may already provide. IPART's April 2025 review of its approach to assessing contributions plans found that land acquisition costs represent approximately 43 per cent of total assessed contributions plan costs, with open space land acquisition the dominant category.[33] Published contributions plans from across Greater Sydney show that open space (land and embellishment), recreation facilities and community facility land together typically account for approximately 35 to 40 per cent of total section 7.11 charges.[34]

This means that for every dollar a club pays in section 7.11 contributions, roughly 35 to 40 cents may fund infrastructure categories that overlap with what the club is already providing on site: sporting fields, parks, recreation facilities and community gathering spaces.

THE GAP IN THE CURRENT FRAMEWORK

The current contributions framework provides some mechanisms for developers to receive credit for infrastructure they provide on site. Section 7.11(5) of the EP&A Act allows developers to dedicate land to council, or provide a "material public benefit," in part or full satisfaction of a contribution condition.[35] However, these credits only operate where the infrastructure matches an item on the council's specific works schedule. A club retaining its own sporting fields as private club land is not dedicating land to council, and club facilities would rarely match a planned works schedule item. Section 7.12 levies cannot be offset by works-in-kind or land dedication at all, as there is no provision in the EP&A Act to satisfy a section 7.12 levy through anything other than monetary payment.[36]

The result is that clubs may face the same contribution burden as any other private developer, despite retaining and continuing to operate community infrastructure that could reduce demand for council-provided services. There is no general NSW-wide exemption or credit for registered clubs, and no consistent council practice of recognising retained community infrastructure.[37]

VOLUNTARY PLANNING AGREEMENTS

The VPA process presents a particular challenge for clubs. When a club on RE2 land seeks rezoning, the council assesses the value uplift created by the rezoning and negotiates for a share of it. There is no requirement for the council to recognise the community infrastructure the club retains on site as a contribution toward the VPA obligation. A club that retains 85 per cent of its site as open space, providing a community benefit worth tens of millions of dollars, can still be asked to pay millions more in VPA contributions as if the entire site were being developed for private profit.

We recommend that the Minister for Planning issue a direction under section 7.9 of the EP&A Act requiring councils to formally recognise retained community infrastructure as a material public benefit when negotiating planning agreements with registered clubs. The direction should specify that VPA value-capture calculations for club developments be based on the uplift of the developed portion of the site only, not the entire site, reflecting the fact that the club is foregoing the development value of the retained land.

WHAT WE ARE RECOMMENDING

We recommend that the NSW Government ensure the development contributions framework recognises the community infrastructure that registered clubs retain on site when developing their land for housing. Where a club's retained facilities reduce the demand for new council-provided community infrastructure, the contribution burden should be reduced proportionately.

This recognition should apply across the relevant charges, including section 7.11 and 7.12 local contributions and VPAs. The specific mechanism should be determined by the Department of Planning, Housing and Infrastructure, but available tools include Ministerial directions under sections 7.9 and 7.17 of the EP&A Act, amendments to the Department's practice notes on exemptions and works-in-kind, and guidance requiring councils to incorporate club-specific provisions in their contributions plans.

This recommendation applies to the portion of development charges that fund community infrastructure overlapping with what clubs provide, not to charges for water and sewer connections, sustainability compliance, biodiversity offsets or administrative fees.

The geographic distribution of club land aligns closely with where housing is most needed. Metropolitan Sydney accounts for 58 per cent of expected homes in the central estimate.


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HOW THE THREE RECOMMENDATIONS WORK TOGETHER

The three recommendations are designed to be complementary. The HDA pathway removes the regulatory barrier. The advisory service removes the capability barrier. Levy relief reduces the financial burden on clubs that retain community infrastructure while developing. Together, they address the obstacles that our modelling identifies as the primary reasons most club land remains undeveloped.

This is reflected in the policy scenario of our modelling, which applies three levers to clubs on constrained land. The development share is increased by a factor of 1.5, reflecting the advisory service helping clubs identify and unlock more of their developable land. The assumed density is lifted to 100 dwellings per hectare, reflecting the higher densities that concurrent rezoning through the HDA would enable. And the participation rate is increased by a factor of 1.25, reflecting the removal of dual barriers that currently deter clubs from pursuing development at all.

The combined effect is to lift the expected yield from approximately 14,000 homes under current settings to approximately 38,000 under the policy scenario. The entire uplift comes from the constrained clubs. Clubs on unconstrained land are unaffected because they already have the pathways they need.

SAFEGUARDS AND COMMUNITY BENEFIT

These recommendations are a proposal to give clubs access to the same fast-track planning pathways that are already available to private developers, with additional safeguards that reflect the community ownership and not-for-profit character of clubs.

Under the proposed HDA pathway, any club development would be required to include a minimum affordable housing component, consistent with the requirements that already apply to other SSD housing projects, except where the development is for independent living or retirement housing. Standard conditions relating to community infrastructure contributions, open space retention and design quality would continue to apply. The Department, not the club, would remain the assessment and consent authority.

Under the advisory service, clubs would receive independent guidance on their governance obligations under the *Registered Clubs Act 1976*, including requirements for member approval of major transactions and disclosure of related-party interests. The service would also support clubs in designing community engagement processes that go beyond statutory minimums, ensuring that development proposals are shaped by genuine community input.

The not-for-profit structure of registered clubs provides an additional layer of accountability that does not exist for private developers. Club boards are elected by local members. Development proceeds must be reinvested in the club and its community purposes. Clubs have an ongoing presence in the neighbourhood and a reputational interest in getting development outcomes right. These characteristics make clubs a more accountable development partner, not a less accountable one.

THE COST OF INACTION

The clubs opportunity is not the only solution to the housing supply crisis in NSW. But it is a solution that is available now, at minimal cost to government, using land that is already held by community institutions in locations where housing is most needed.

If the recommendations in this report are not adopted, the most likely outcome is that club land continues to be excluded from the housing supply pipeline indefinitely. The zoning barrier will remain. Clubs that lack commercial expertise will continue to avoid development. And a potential source of approximately 38,000 homes will remain untapped while the state falls further behind its Housing Accord targets.

The Government has committed to pulling every lever to address the housing crisis. The clubs opportunity is a lever that has not yet been pulled.

WHAT INFORMED THESE RECOMMENDATIONS

In April 2026, ClubsNSW convened a roundtable of club representatives with direct experience of land development or active interest in pursuing it. Participants included clubs at various stages, from early feasibility through to construction, and represented a range of club types, sizes and geographies. The discussion was structured around the barriers clubs face, the housing models that work, and the policy settings that would make a difference. The findings directly informed the recommendations in this report.

DEVELOPMENT AS A SUSTAINABILITY STRATEGY

Participants were clear that housing development is a pathway to long-term financial sustainability for clubs that face declining gaming revenue, ageing infrastructure and rising operating costs. Clubs repeatedly emphasised that as not-for-profit, member-owned institutions, any development proceeds are reinvested into community services, sport, recreation and local facilities. As one participant put it: “development is not just an opportunity, it’s a pathway to sustainability.”

There was strong interest in models that retain ownership or generate recurring income rather than one-off asset sales. Seniors living, build-to-rent and mixed-use developments attracted the most support. Several clubs stressed the importance of retaining land where possible. Cumberland Golf Club, which leased rather than sold land for a seniors living project, described how this helped secure member support: “we just leased our land. Obviously we didn’t sell it. And that helped from a members perspective that we weren’t selling the farm.”

Seniors living emerged as the strongest current model. Multiple clubs are already pursuing it or have completed approvals. Dee Why RSL described a successful 76-unit retirement village with 300 parties on the waiting list. Campbelltown Catholic Club is six weeks into construction on 92 seniors living apartments and reported strong market confidence: “we’re pleasantly surprised by the response from the market based on trust that members have in clubs to be the developer.”

> **Development is not just an opportunity, it’s a pathway to sustainability.**
>
> *On why clubs are pursuing housing development to secure their long-term future.*
>
> **CLUBSNSW HOUSING ROUNDTABLE / APRIL 2026**

PLANNING BARRIERS AND COUNCIL BEHAVIOUR

The roundtable reinforced that RE2 zoning is a genuine structural barrier, but not the only one. Height controls, floor space ratios, density limits, environmental overlays and heritage issues were all raised. The broader problem is that the current planning framework is fragmented, sequential and unpredictable.

Councils were a particular source of frustration. Participants repeatedly contrasted state-led pathways, which were described as more disciplined and predictable, with council-led processes that stretch over years. Eastwood Leagues Club described a project 13 years in the making, slowed by council management of the rezoning process. “Historically, councils have been one of the more challenging aspects of progressing club developments, particularly given the timeframes and complexity involved in planning and rezoning processes. Compared with state-led pathways, which tend to be more structured and predictable, council-led processes can extend over a number of years, and timing has often been a key frustration for clubs.” That said, they added that they are seeing more positive engagement and a greater willingness to work collaboratively. This highlights that with continued improvements in communication and alignment, there is a genuine opportunity to streamline these processes and achieve better outcomes moving forward. Another participant was more blunt: “councils really work out how to stop you from doing it.”

Long timeframes also create governance risk. Many clubs are led by volunteer boards, and maintaining strategic continuity over a five to ten year development cycle is difficult. Projects can stall when directors change or when a key internal champion moves on. “The sustainability of a board over a five or ten year period to get a development approved has been a big issue for our club.”

Our current project has taken 13 years so far.

On the delays caused by sequential council-led rezoning and development assessment processes.

CLUBSNSW HOUSING ROUNDTABLE / APRIL 2026

THE NEED FOR TRUSTED ADVICE

One of the clearest and most forcefully expressed themes was the absence of trusted, club-aligned advisory support. Clubs are effectively one-time developers. Boards often lack development expertise and can be exposed to poor-quality or self-interested advice from consultants, project managers or developers.

Forestville RSL noted: “the greatest barrier is trusted advisers that you can rely on, who want to help the club, not themselves.” Panthers described a Penrith residential project where the club was poorly informed, resulting in mediocre financial results: “At the time, the club lacked the specialist expertise and independent advice needed to fully understand the project's potential value. While the arrangement reduced the club's exposure to development risk, it also limited its ability to share in the substantial upside ultimately generated by the project.” Participants called for an independent support mechanism where clubs could get feasibility advice, sanity-check proposals and negotiate better commercial arrangements. “Something where clubs could go to and not get rolled over by a developer.”

The greatest barrier is trusted advisers that you can rely on, who want to help the club, not themselves.

On the need for independent, government-backed advisory support for clubs navigating development.

CLUBSNSW HOUSING ROUNDTABLE / APRIL 2026

LEVIES AND CONTRIBUTIONS

Participants repeatedly stressed that escalating levies and contributions are undermining feasibility, even where planning pathways exist. Construction costs, consultant fees, environmental studies, infrastructure requirements and contributions were all raised as major risks.

Voluntary Planning Agreements were a particularly strong theme. Several clubs described VPA obligations that were nominally voluntary but functionally mandatory: "the voluntary contribution is seemingly compulsory." Campbelltown Catholic Club described material levy costs on its seniors living project. Dee Why RSL said feasibility for expanding its retirement village had been worsened by rising levies and affordable housing requirements.

Participants argued that clubs are already community-serving institutions and that being required to provide large additional contributions can amount to paying twice for services they already deliver. "It is members' money, and we need to justify that."

The voluntary contribution is seemingly compulsory.

On the development levies and planning agreement costs that undermine project feasibility.

CLUBSNSW HOUSING ROUNDTABLE / APRIL 2026

WHAT THIS MEANS FOR THE RECOMMENDATIONS

The roundtable validated the core proposition of this report that clubs hold significant underutilised land in strategic locations and can contribute meaningfully to housing supply. It also confirmed that the barriers are real and that without targeted reform, much of this potential will remain unrealised. The three recommendations respond directly to the barriers identified by clubs with firsthand experience of the development process.

Conclusion

New South Wales is not building enough homes. **The gap between the Accord target and actual delivery is large and growing,** and every credible source of additional supply deserves serious consideration.

This report has shown that the state's registered clubs hold more than 10,000 hectares of land, much of it in established suburbs and priority growth areas where housing is most needed.

McKell Institute modelling estimates that approximately **14,000 homes could be delivered on club land** under current planning settings, rising to approximately 38,000 under the reforms proposed in this report.

These figures are derived from a model applied individually to every club in the ClubsNSW dataset, using spatial data, planning controls and conservative assumptions about how much land clubs would realistically develop.

The opportunity is real, but so are the barriers. The majority of club land is zoned RE2 (Private Recreation), which does not permit residential development. The current planning framework requires clubs to secure a council-led rezoning before they can lodge a development application, a process that routinely takes three to five years and often longer.

Most clubs, as not-for-profit organisations governed by volunteer boards, lack the commercial expertise to navigate this process. And the development contributions framework does not recognise the community infrastructure that clubs retain on site when they develop.

The three recommendations in this report address each of these barriers. Extending the Housing Delivery Authority pathway to clubs on constrained zoned land would allow concurrent rezoning and development assessment, reducing timeframes from years to months. A government-funded advisory service, preferably delivered through Landcom, would give clubs access to trusted, independent development expertise. And proportionate relief from development contributions would ensure that clubs are not charged for community infrastructure they are already providing.

None of these recommendations require major government expenditure. All build on existing policy frameworks and legislative tools.

Together, they would unlock a source of housing supply that has until now been entirely absent from the policy conversation, at modest cost to government relative to the homes delivered.

The government has committed to pulling every lever available to address the housing crisis. The clubs opportunity is a lever that has not yet been pulled.

Technical appendix: model methodology and sensitivity analysis

This appendix provides a detailed description of the data sources, assumptions and methodology underpinning the housing land model used in this report. It is intended for readers who wish to understand how the headline estimates were derived and to assess the sensitivity of the results to changes in key assumptions.

A.1. DATA SOURCES

The model draws on multiple data sources, sometimes cross-referenced with individual club information.

TABLE 3 Data sources

Input	Source	Coverage	Notes
Club list and addresses	Clubs NSW membership dataset	1,088 clubs (1,070 after deduplication)	Cross-referenced with ABN and address records
Lot area (non-golf)	NSW cadastral lot data (Lot/DP)	797 clubs	Where cadastral match failed, dataset-reported areas used
Lot area (golf)	OpenStreetMap (OSM) golf_course polygons	203 golf courses	Top 20 verified against satellite imagery
Planning zone	NSW Planning Portal (LEP zoning layer)	All clubs	Zone determines DS, density and zone group
FSR and height	NSW Planning Portal (FSR and HOB layers)	Clubs on residentially zoned land	FSR converted to dph via formula
Bushfire prone land	NSW RFS bushfire prone land map	Within 1km driving distance	Used to adjust participation downward
TOD SEPP	SEPP (Housing) 2021	Clubs within TOD precincts	Higher density assigned where applicable
Crown Land	NSW Crown Land register	276 clubs identified	Flags potential tenure constraints
Location tier	McKell Institute classification	All clubs	Metro, Satellite, Regional Centre, Rural/Remote

A key data processing step involved the lot area for golf courses. The ClubsNSW dataset reports lot area based on the cadastral parcel, which for many golf clubs captures only the clubhouse building parcel rather than the full course. For 203 golf courses, the model replaces the cadastral lot area with the OpenStreetMap satellite-measured course boundary, which provides a more accurate representation of the club's total land holding. This increased total measured land area significantly and is the primary reason that golf clubs dominate the model output. The top 20 courses by area were individually verified against satellite imagery. Where the OSM boundary was unavailable, a conservative default area based on the club's location was assigned, ranging from 25 hectares (rural) to 35 hectares (metropolitan, for 8 clubs).

For non-golf clubs, the cadastral lot area was used as the primary source. In 43 cases, manual review identified that the cadastral lot boundary overstated the club's actual operational footprint (see A4), and the lot area was adjusted downward.

A.2. MODEL FORMULA AND PARAMETERS

The model estimates housing capacity for each club using the following formula:

$$Homes = Lot\ Area\ (ha)\ x\ Development\ Share\ x\ Density\ (dph)\ x\ Participation\ Rate$$

The formula is applied individually to each of the 1,070 clubs. Each input varies by club based on its type, zone, location and other characteristics.

Development share is the fraction of the club's lot area assumed to be available for residential development. It is determined by two factors: the club's zone group and its club type. The zone group sets a base range, and the club type applies a modifier within or below that range. Golf clubs are always assigned the lowest development share for their zone group, reflecting the assumption that only peripheral land (car parks, maintenance compounds, unused frontages) would be developed.

TABLE 4 Development share by club type and zone group

Club type	Constrained (RE2 etc)	High (MU1, R4, R3, B zones)	Medium (R1, R2, E1, E2)	Low-Medium (C4, E3, R5)
Golf (standard, 200 clubs)	15%	15%	15%	15%
Golf (premier, 23 clubs)	5%	5%	5%	5%
Bowling (305 clubs)	25–40%	30–40%	25–30%	25%
Leagues (62 clubs)	20–45%	45%	20–45%	20%
RSL (162 clubs)	15–40%	15–40%	15–40%	15%
Other (314 clubs)	10–35%	25–35%	10–25%	10–15%
Racing (4 clubs)	8%	8%	8%	8%

For the conservative and optimistic scenarios, development shares are scaled downward and upward respectively across all zone groups. For example, constrained zone golf clubs use 10.5% (conservative), 15% (central) and 19.5% (optimistic).

Density is measured in dwellings per hectare (dph). For clubs on unconstrained land (where residential development is already permissible), density is derived from the applicable FSR and height controls using the formula:

$$dph = \frac{(FSR\ x\ 10{,}000)}{75\,m^2}\ x\ 85\,\%$$

This assumes an average dwelling size of 75 square metres of gross floor area and an 85 per cent net-to-gross efficiency ratio.

For clubs on constrained land (RE2 and similar zones), there are no applicable residential planning controls. Density is therefore assigned using location-graduated defaults.

TABLE 5 Constrained zone density by location

Location tier	Conservative	Central	Optimistic
Metro Sydney	60 dph	80 dph	100 dph
Satellite (CC, Hunter, Illawarra)	45 dph	60 dph	80 dph
Regional Centre	30 dph	40 dph	60 dph
Rural/Remote	15 dph	25 dph	40 dph

These figures are broadly consistent with the densities achieved in comparable infill and medium-density developments across NSW. The metro central figure of 80 dph is equivalent to approximately three-storey townhouse or walk-up apartment development.

Participation rate is the probability that a given club will pursue residential development. It is the discount factor that converts raw capacity into an expected yield. Participation is assigned based on three factors: location tier, club type and zone group. Clubs in metropolitan locations, on unconstrained land and of types with stronger financial incentives to develop (such as leagues clubs with large surplus sites) are assigned higher participation rates. Clubs in rural areas, on constrained land and of types with weaker incentives (such as small bowling clubs) are assigned lower rates.

The resulting participation rates range from 3 per cent (small RSL clubs in rural areas) to 50 per cent (leagues clubs on unconstrained metropolitan land). The distribution is heavily skewed toward the lower end: the median participation rate across all clubs is 15 per cent, and only 21 clubs are assigned a rate above 40 per cent.

TABLE 6 Applied participation rates for constrained-zone clubs

Club type	Metro	Satellite	Regional	Rural
Golf (standard)	25%	20%	10%	5%
Golf (premier)	5%	5%	n/a	n/a
Bowling	30–45%	20–35%	10–20%	5–10%
Leagues	30–50%	20–40%	12–25%	5%
RSL	20–40%	15–30%	8–15%	3–5%
Other	20–35%	15–25%	8–15%	3–5%

A.3. CLUB TYPE OVERRIDES

The model applies club-type-specific assumptions that override the zone-group defaults in several important cases.

Golf clubs (standard, 200 clubs).
Development share is capped at 15 per cent in the central scenario regardless of zone group. This reflects the assumption that golf courses would develop only peripheral land, not fairways or greens. For context, international golf course redevelopments commonly develop 30 to 50 per cent of the site. The 15 per cent assumption is deliberately conservative and assumes the vast majority of the course is retained as open space and recreation.

Golf clubs (premier, 23 clubs).
A group of 23 premier and championship courses are assigned a development share of just 5 per cent and a participation rate of just 5 per cent. These include courses affiliated with Golf Australia or recognised as nationally significant, such as courses that host major tournaments and maintain long waiting lists for membership. The effect of this treatment is substantial: these 23 clubs hold a combined 947 hectares but contribute just 181 homes to the central estimate. Without the premier treatment, they would contribute approximately 2,841 homes. This adjustment alone reduces the model total by approximately 2,660 homes, or 19 per cent of the central estimate.

Bowling clubs (305 clubs).
Development share ranges from 25 to 40 per cent, higher than golf, reflecting the more compact operational footprint of bowling clubs. Many bowling clubs have surplus greens, oversized car parks or adjacent land that is underutilised.

Leagues clubs (62 clubs).
Development share ranges from 20 to 45 per cent. Leagues clubs in metropolitan areas on unconstrained land are assigned the highest development shares in the model, reflecting the fact that many occupy large sites in high-density zones where the clubhouse and associated facilities use only a fraction of the available land.

Racing clubs (4 clubs).
A flat 8 per cent development share is applied, reflecting the highly constrained operational requirements of racing venues.

A.4. QUALITY ASSURANCE AND ANECDOTAL ADJUSTMENTS

Clubs in the dataset were reviewed as part of a quality assurance process. This review identified 43 clubs where the raw data overstated the developable area. These clubs were adjusted downward. A further 23 premier golf courses were assigned significantly lower parameters as described in A3. The combined effect of these 43 adjustments was to reduce the central expected estimate by approximately 4.4 per cent relative to the pre-adjustment figure.

TABLE 7 Summary of anecdotal adjustments made

Category	Clubs adjusted	Description	Typical adjustment
Crown Land lot boundary overshoot	17	Cadastral lot captured surrounding council reserves or parkland	Lot area reduced to operational boundary
RE1 park precinct capture	8	Lot boundary encompassed a broader public park or reserve	Lot area reduced to club facility only
Tenant within another facility	3	Club operates as tenant with no independent land holding	Lot area set to zero or near-zero
Development implausible	5	Physical constraints (flood, heritage, waterfront)	Lot area reduced or participation set to near-zero
Oversized rural/ regional lots	10	Dataset lot area captured parcel much larger than operational site	Lot area reduced to operational boundary
Premier golf courses (near-excluded)	23	Nationally significant courses with strong financials	DS set to 5%, participation set to 5%
Total adjusted	**66**		

A.5. SENSITIVITY ANALYSIS

The model's headline estimates are sensitive to the assumptions described above. This section presents the results of sensitivity testing in which each key assumption is varied individually while all others are held at their central values. The baseline for comparison is the central expected estimate of 14,326 homes.

TABLE 8 Sensitivity to individual assumptions

Assumption	Low	Central	High
Development share (golf: 10.5% / 15% / 19.5%)	10,058 (−30%)	14,326	18,680 (+30%)
Density (metro constrained: 60 / 80 / 100 dph)	10,878 (−24%)	14,326	18,637 (+30%)
Participation rate (all rates ×0.5 / ×1.0 / ×1.5)	7,163 (−50%)	14,326	21,489 (+50%)

The model is most sensitive to participation rate, which scales the result linearly. Development share and density have broadly similar impacts, each shifting the result by approximately 25 to 30 per cent when moved from central to the conservative or optimistic case.

Because golf clubs account for 73 per cent of the central estimate, the development share assumption for golf courses is the single most influential parameter in the model

TABLE 9 Golf development share sensitivity

Golf development share	Golf expected homes	Total expected homes	Change from central
5%	3,602	7,475	−48%
10%	7,205	11,078	−23%
15% (central, standard courses)	**10,807**	**14,680**	**baseline**
20%	14,410	18,283	+28%
25%	18,012	21,885	+53%
30%	21,615	25,488	+78%
50%	36,024	39,897	+179%

The central assumption of 15 per cent is conservative relative to international precedent. Golf course redevelopment projects in the United Kingdom and New Zealand develop, or aim to develop, 30 to 50 per cent of the site, according to publicly available resources. Partial redevelopments typically retain 9 to 14 holes while releasing the remainder for housing, implying a development share of 22 to 50 per cent. Even within Australia, proposals for partial golf course redevelopment have contemplated significantly higher development shares than the 15 per cent used in this model.

The conservatism of the 15 per cent assumption is reinforced by the premier golf club treatment. The 23 premier courses are assigned just 5 per cent development share and 5 per cent participation, contributing only 181 homes to the central estimate. If these clubs were treated as standard golf courses, they would contribute approximately 2,841 homes, increasing the model total by 19 per cent.

TABLE 10 Constrained zone density sensitivity

Constrained zone density	Constrained expected homes	Total expected homes	Change from central
Flat 40 dph	7,421	10,447	−27%
Flat 60 dph	11,132	14,158	−1%
Location-graduated (central)	**11,300**	**14,326**	**baseline**
Flat 80 dph	14,843	17,869	+25%
Flat 100 dph (policy scenario)	18,553	21,579	+51%

The central location-graduated approach produces a result similar to a flat 60 dph assumption, reflecting the geographic distribution of constrained clubs across metro, satellite, regional and rural areas.

TABLE 11 All scenarios sensitivity

Scenario	Capacity	Expected homes	Change from central
Conservative	42,500	7,600	−47%
Central	**82,000**	**14,300**	**baseline**
Optimistic	143,600	24,200	+69%
Policy (with reforms)	**217,600**	**37,700**	**+163%**

TABLE 12 Premier golf club treatment impact

Treatment	Premier club homes	Total model homes	Change from central
Premier treatment (5% DS, 5% participation)	181	14,326	baseline
Standard golf treatment (15% DS, 25% participation)	2,841	16,986	+19%

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